



3015 (02-09-04)

ANNUAL REPORT

OF

Name: FAIRWATER MUNICIPAL WATER UTILITY

Principal Office: P.O. BOX 15
FAIRWATER, WI 53930-0015

For the Year Ended: DECEMBER 31, 2003

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: FAIRWATER MUNICIPAL WATER UTILITY**Utility Address:** P.O. BOX 15
FAIRWATER, WI 53930-0015**When was utility organized?** 1/1/1972**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: SHERRY R LAPER**Title:** CLERK**Office Address:**P.O. BOX 15
FAIRWATER, WI 53931-0015**Telephone:** (920) 346 - 5418**Fax Number:** (920) 346 - 5418**E-mail Address:** n/a

Individual or firm, if other than utility employee, preparing this report:

Name: DAN STEINER**Title:** ACCOUNTANT**Office Address:** VIRCHOW, KRAUSE & CO, LLP
TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707**Telephone:** (608) 240 - 2478**Fax Number:** (608) 249 - 8532**E-mail Address:** dsteiner@virchowkrause.com

President, chairman, or head of utility commission/board or committee:

Name: MARY MONTAG**Title:** PRESIDENT**Office Address:**P.O. BOX 15
FAIRWATER, WI 53931-0015**Telephone:** (920) 346 - 5418**Fax Number:****E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES**Date of most recent audit report:** 2/6/2004**Period covered by most recent audit:** YEAR ENDED 12/31/2003

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: KEITH SCHWANDT**Title:** UTLITY OPERATOR**Office Address:**P.O. BOX 15
FAIRWATER, WI 53931-0015**Telephone:** (920) 346 - 5418**Fax Number:****E-mail Address:**

Name of utility commission/committee: FAIRWATER VILLAGE BOARD

Names of members of utility commission/committee:FRED DOMKE
DEAN DORNFELD
STAN HARMSSEN
FRANCIS KUEHN
BRUCE LENZ
MARY MONTAG, PRESIDENT
RAY RUNDE

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name: VIRCHOW, KRAUSE & CO, LLP
TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707**Contact Person:** MR DAN G STEINER, CPA**Title:** ACCOUNTANT**Telephone:** (608) 240 - 2478**Fax Number:** (608) 249 - 8532**E-mail Address:** dsteiner@virchowkrause.com

Contract/Agreement beginning-ending dates: 1/1/2003 12/31/2003**Provide a brief description of the nature of Contract Operations being provided:**

Fairwater financial audit.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	62,774	68,250	1
Operating Expenses:			
Operation and Maintenance Expense (401)	37,371	37,160	2
Depreciation Expense (403)	16,053	18,010	3
Amortization Expense (404)	0	0	4
Taxes (408)	13,032	12,583	5
Total Operating Expenses	66,456	67,753	
Net Operating Income	(3,682)	497	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(3,682)	497	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	822	1,216	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	822	1,216	
Total Income	(2,860)	1,713	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	2,256	0	12
Total Miscellaneous Income Deductions	2,256	0	
Income Before Interest Charges	(5,116)	1,713	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0		14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	13,836	14,764	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0		18
Total Interest Charges	13,836	14,764	
Net Income	(18,952)	(13,051)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	34,231	36,104	19
Balance Transferred from Income (433)	(18,952)	(13,051)	20
Miscellaneous Credits to Surplus (434)	169,637	11,178	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)		0	24
Total Unappropriated Earned Surplus End of Year (216)	184,916	34,231	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	62,774		62,774	1
Total (Acct. 400):	62,774	0	62,774	
Operation and Maintenance Expense (401):				
Derived	37,371		37,371	2
Total (Acct. 401):	37,371	0	37,371	
Depreciation Expense (403):				
Derived	16,053		16,053	3
Total (Acct. 403):	16,053	0	16,053	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	13,032		13,032	5
Total (Acct. 408):	13,032	0	13,032	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	(3,682)	0	(3,682)	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST EARNED ON INVESTMENTS	822	0	822	10
Total (Acct. 419):	822	0	822	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	0	0
TOTAL OTHER INCOME:	822	0	822

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
NONE	0	0	0 13
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		2,256	2,256 14
NONE	0	0	0 15
Total (Acct. 426):	0	2,256	2,256
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	2,256	2,256

INTEREST CHARGES**Interest on Long-Term Debt (427):**

Derived	0		0 16
Total (Acct. 427):	0	0	0

Amortization of Debt Discount and Expense (428):

NONE	0		0 17
Total (Acct. 428):	0	0	0

Amortization of Premium on Debt--Cr. (429):

NONE	0		0 18
Total (Acct. 429):	0	0	0

Interest on Debt to Municipality (430):

Derived	13,836		13,836 19
Total (Acct. 430):	13,836	0	13,836

Other Interest Expense (431):

Derived	0		0 20
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 21
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	13,836	0	13,836
NET INCOME:	(16,696)	(2,256)	(18,952)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	34,231	0	34,231 22
Total (Acct. 216):	34,231	0	34,231
Balance Transferred from Income (433):			
Derived	(16,696)	(2,256)	(18,952) 23
Total (Acct. 433):	(16,696)	(2,256)	(18,952)
Miscellaneous Credits to Surplus (434):			
TAX EQUIVALENT WAIVED	11,571	0	11,571 24
CIAC ACCUMULATED DEPRECIATION	158,066	0	158,066 25
Total (Acct. 434):	169,637	0	169,637
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	187,172	(2,256)	184,916

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	62,774	0	0	0	62,774	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	62,774	0	0	0	62,774	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	785,118	783,974	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	277,195	203,188	2
Net Utility Plant	507,923	580,786	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	251,151	279,824	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	251,151	279,824	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	79,921	57,411	8
Temporary Cash Investments (132)	50,674	33,419	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	7,865	12,315	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	8,205	5,902	14
Materials and Supplies (150)	1,262	1,262	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	406	794	17
Total Current and Accrued Assets	148,333	111,103	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	907,407	971,713	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	316,996	316,996	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	184,916	34,231	23
Total Proprietary Capital	501,912	351,227	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	275,049	289,237	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	275,049	289,237	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,272	7	28
Payables to Municipality (233)	9,281	13,377	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	9,962	9,407	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	20,515	22,791	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	109,931	95,092	36
Total Deferred Credits	109,931	95,092	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	213,366	38
Total Liabilities and Other Credits	907,407	971,713	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	783,974	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	571,752	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	213,366	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	785,118	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	219,639	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	57,556	0	0	0	12
Total Accumulated Provision	277,195	0	0	0	
Net Utility Plant	507,923	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	203,188				203,188	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	16,053				16,053	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	398				398	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	16,451	0	0	0	16,451	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
0	0				0	18
Total debits	0	0	0	0	0	19
Balance end of year (110.1)	219,639	0	0	0	219,639	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN
SERVICE (ACCT. 110.2)**

Depreciation Accruals (Credits) during the year (110.2):

1. Report the amounts charged to Depreciation Expense (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	2,256				2,256	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	55,300				55,300	10
Total credits	57,556	0	0	0	57,556	11
Debits during year						12
Book cost of plant retired	0				0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
Total debits	0	0	0	0	0	17
Balance end of year (110.2)	57,556	0	0	0	57,556	18
Composite Depreciation Rate?	No					19
If yes, what is the rate?						20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	1,262	1,262	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	1,262	1,262	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<hr/>				
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
<hr/>				
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	316,996	1
Changes during year (explain):		2
Balance end of year	316,996	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
2002 GO DEBT	04/18/2002	04/01/2007	4.75%	275,049	1
Total for Account 223				275,049	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	13,032	2
Charged electric department expense		3
Charged sewer department expense	142	4
Other (explain):		
NONE		5
Total Accruals and other credits	13,174	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	1,532	7
PSC Remainder Assessment	71	8
Other (explain):		
waived to account 236	11,571	9
Total payments and other debits	13,174	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
1994 GO DEBT	0			0	2
2002 GO DEBT	9,407	13,836	13,281	9,962	3
Subtotal	9,407	13,836	13,281	9,962	
Other long-Term Debt (224)					
NONE	0			0	4
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	9,407	13,836	13,281	9,962	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
TIF FUNDS RECEIVABLE	251,151	1
Total (Acct. 123):	251,151	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	7,865	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	7,865	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
PUBLIC FIRE PROTECTION	6,058	12
RECEIVABLE FROM SEWER UTILITY-PORION OF BILLING SOFTWARE	2,147	13
Total (Acct. 145):	8,205	
Prepayments (165):		
NONE		14
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		16
Total (Acct. 183):	0	
Payables to Municipality (233):		
INSURANCE PREMIUM, SALARIES/BENEFITS	9,281	17
Total (Acct. 233):	9,281	
Other Deferred Credits (253):		
DEFERRED TIF INTEREST RECEIVABLE	109,931	18
Total (Acct. 253):	109,931	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	571,180	0	0	0	571,180	1
Materials and Supplies	1,262	0	0	0	1,262	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	211,413	0	0	0	211,413	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	361,029	0	0	0	361,029	
Net Operating Income	(3,682)	0	0	0	(3,682)	7
Net Operating Income as a percent of						
Average Net Rate Base	-1.02%	N/A	N/A	N/A	-1.02%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

During 2003, the PSCW granted a 3% simplified rate increase to the utility effective June 20, 2003.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

Ten Terrace Ct " PO Box 7398 " Madison, WI 53707-7398
608/249-6622 " 608/249-8532

ACCOUNTANTS' COMPILATION REPORT

Fairwater Water Utility
Fairwater, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Fairwater Water Utility, an enterprise fund of the Village of Fairwater as of December 31, 2003 and 2002, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2003 in the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and schedules are not designed for those who are not informed about such differences.

/S/ VIRCHOW, KRAUSE & COMPANY, LLP

Madison, Wisconsin
February 17, 2004

FINANCIAL SECTION FOOTNOTES

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	213,366	0	0	0	0	213,366	1
Add credits during year:							
NONE	0					0	2
Deduct charges (specify):							
AMOUNTS TO CIAC PLANT ACCOUNTS	213,366					213,366	3
Balance End of Year	0	0	0	0	0	0	

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	62,250	67,719	1
Total Sales of Water	62,250	67,719	
Other Operating Revenues			
Forfeited Discounts (470)	73	73	2
Other Water Revenues (474)	451	458	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	524	531	
Total Operating Revenues	62,774	68,250	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	29,020	26,411	5
General Operating Expenses (680-690)	8,351	10,749	6
Total Operation and Maintenance Expenses	37,371	37,160	
Other Operating Expenses			
Depreciation Expense (403)	16,053	18,010	7
Amortization Expense (404)		0	8
Taxes (408)	13,032	12,583	9
Total Other Operating Expenses	29,085	30,593	
Total Operating Expenses	66,456	67,753	
NET OPERATING INCOME	(3,682)	497	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	148	6,873	19,668	4
Commercial	13	807	2,120	5
Industrial	1	21,014	24,073	6
Total Metered Sales to General Customers (461)	162	28,694	45,861	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		16,108	8
Other Sales to Public Authorities (464)	2	86	281	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	165	28,780	62,250	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	16,108	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	16,108	
Forfeited Discounts (470):		
Customer late payment charges	73	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	73	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	451	7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	451	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	16,521	15,677	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	5,180	5,011	3
Chemicals (630)	1,918	1,453	4
Supplies and Expenses (640)	3,033	2,748	5
Repairs of Water Plant (650)	2,171	1,391	6
Transportation Expenses (660)	197	131	7
Total Plant Operation and Maintenance Expenses	29,020	26,411	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	1,970	1,938	8
Office Supplies and Expenses (681)	865	927	9
Outside Services Employed (682)	2,069	4,363	10
Insurance Expense (684)	1,212	1,046	11
Employees Pensions and Benefits (686)	2,046	2,100	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	189	375	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	8,351	10,749	
Total Operation and Maintenance Expenses	37,371	37,160	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		11,571	11,178	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		142	138	2
Net property tax equivalent		11,429	11,040	
Social Security		1,532	1,459	3
PSC Remainder Assessment		71	84	4
Other (specify): NONE			0	5
Total tax expense		13,032	12,583	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Fond du Lac				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.223887				3
County tax rate	mills		5.906719				4
Local tax rate	mills		4.246390				5
School tax rate	mills		11.693836				6
Voc. school tax rate	mills		1.707812				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		23.778644				10
Less: state credit	mills		1.552709				11
Net tax rate	mills		22.225935				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		4.246390				14
Combined School Tax Rate	mills		13.401648				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		17.648038				17
Total Tax Rate	mills		23.778644				18
Ratio of Local and School Tax to Total	dec.		0.742180				19
Total tax net of state credit	mills		22.225935				20
Net Local and School Tax Rate	mills		16.495648				21
Utility Plant, Jan. 1	\$	783,974	783,974				22
Materials & Supplies	\$	1,262	1,262				23
Subtotal	\$	785,236	785,236				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	785,236	785,236				26
Assessment Ratio	dec.		0.893310				27
Assessed Value	\$	701,459	701,459				28
Net Local & School Rate	mills		16.495648				29
Tax Equiv. Computed for Current Year	\$	11,571	11,571				30
Tax Equivalent per 1994 PSC Report	\$	6,618					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	11,571					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	24,878		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	24,878	0	
PUMPING PLANT			
Land and Land Rights (320)	2,370		12
Structures and Improvements (321)	199,842		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	57,147		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	14,085		20
Total Pumping Plant	273,444	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	175,687		23
Total Water Treatment Plant	175,687	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			24,878	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	24,878	
PUMPING PLANT				
Land and Land Rights (320)			2,370	12
Structures and Improvements (321)			199,842	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			57,147	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			14,085	20
Total Pumping Plant	0	0	273,444	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			175,687	23
Total Water Treatment Plant	0	0	175,687	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	797		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	50,911		26
Transmission and Distribution Mains (343)	170,428		27
Fire Mains (344)	0		28
Services (345)	48,585		29
Meters (346)	19,313	1,144	30
Hydrants (348)	13,116		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	303,150	1,144	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	619		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	2,148		36
Transportation Equipment (373)	1		37
Other General Equipment (379)	4,047		38
Other Tangible Property (390)	0		39
Total General Plant	6,815	0	
Total utility plant in service directly assignable	783,974	1,144	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	783,974	1,144	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			797 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			50,911 26
Transmission and Distribution Mains (343)		(156,720)	13,708 27
Fire Mains (344)			0 28
Services (345)		(44,585)	4,000 29
Meters (346)			20,457 30
Hydrants (348)		(12,061)	1,055 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	(213,366)	90,928
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			619 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			2,148 36
Transportation Equipment (373)			1 37
Other General Equipment (379)			4,047 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	6,815
Total utility plant in service directly assignable	0	(213,366)	571,752
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	(213,366)	571,752

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	<u>0</u>	<u>0</u>	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	<u>0</u>	<u>0</u>	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	<u>0</u>	<u>0</u>	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)
TRANSMISSION AND DISTRIBUTION PLANT		
Land and Land Rights (340)		24
Structures and Improvements (341)		25
Distribution Reservoirs and Standpipes (342)		26
Transmission and Distribution Mains (343)		27
Fire Mains (344)		28
Services (345)		29
Meters (346)		30
Hydrants (348)		31
Other Transmission and Distribution Plant (349)		32
Total Transmission and Distribution Plant	<u>0</u>	<u>0</u>
GENERAL PLANT		
Land and Land Rights (370)		33
Structures and Improvements (371)		34
Office Furniture and Equipment (372)		35
Computer Equipment (372.1)		36
Transportation Equipment (373)		37
Other General Equipment (379)		38
Other Tangible Property (390)		39
Total General Plant	<u>0</u>	<u>0</u>
Total utility plant in service directly assignable	<u>0</u>	<u>0</u>
Common Utility Plant Allocated to Water Department		40
Total utility plant in service	<u>0</u>	<u>0</u>

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		156,720	156,720 27
Fire Mains (344)			0 28
Services (345)		44,585	44,585 29
Meters (346)			0 30
Hydrants (348)		12,061	12,061 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	213,366	213,366
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	213,366	213,366
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	213,366	213,366

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			989	989	1
February			989	989	2
March			1,001	1,001	3
April			998	998	4
May			1,075	1,075	5
June			2,127	2,127	6
July			3,120	3,120	7
August			8,542	8,542	8
September			9,355	9,355	9
October			1,252	1,252	10
November			1,151	1,151	11
December			2,399	2,399	12
Total annual pumpage	0	0	32,998	32,998	
Less: Water sold				28,780	13
Volume pumped but not sold				4,218	14
Volume sold as a percent of volume pumped				87%	15
Volume used for water production, water quality and system maintenance				1,073	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				1,073	19
Volume pumped but unaccounted for				3,145	20
Percent of water lost				10%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				727	23
Date of maximum: 8/20/2003					24
Cause of maximum:					25
Canning Factory					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				15	26
Date of minimum: 4/1/2003					27
Total KWH used for pumping for the year				57,422	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
WELL WEST STREET	1	635	144	720	Yes	1

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	1		1
Location	BLANK		2
Purpose	P		3
Destination	D		4
Pump Manufacturer	GOULDS		5
Year Installed	1997		6
Type	VERTICAL TURBINE		7
Actual Capacity (gpm)	525		8
Pump Motor or Standby Engine Mfr	US MOTOR		9
Year Installed	1997		10
Type	ELECTRIC		11
Horsepower	60		12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)
Identification			14
Location			15
Purpose			16
Destination			17
Pump Manufacturer			18
Year Installed			19
Type			20
Actual Capacity (gpm)			21
Pump Motor or Standby Engine Mfr			22
Year Installed			23
Type			24
Horsepower			25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1973		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	120		6
Total capacity in gallons (actual)	50,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	PRESSURE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5250		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
P	D	6.000	12,360	0	0	0	12,360
P	D	8.000	2,552	0	0	0	2,552
P	D	12.000	179	0	0	0	179
Total Within Municipality			15,091	0	0	0	15,091
Total Utility			15,091	0	0	0	15,091

1
2
3

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	133	0	0	0	133	1	1
M	1.000	37	0	0	0	37	16	2
M	1.500	2	0	0	0	2		3
M	2.000	2	0	0	0	2		4
M	6.000	1	0	0	0	1		5
Total Utility		175	0	0	0	175	17	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	166	18	0	0	184	18	1
1.000	10	0	0	0	10	0	2
1.500	2	0	0	0	2	0	3
2.000	1	0	0	0	1	0	4
3.000	1	0	0	0	1	0	5
6.000	1	0	0	0	1	1	6
Total:	181	18	0	0	199	19	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	159	6	1	1	0	17	184	1
1.000	0	6	0	1	0	3	10	2
1.500	0	1	1	0	0	0	2	3
2.000	0	0	1	0	0	0	1	4
3.000	0	0	1	0	0	0	1	5
6.000	0	0	1	0	0	0	1	6
Total:	159	13	5	2	0	20	199	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	29				29	2
Total Fire Hydrants	29	0	0	0	29	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:

Number of distribution system valves end of year:

Number of distribution valves operated during year:

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

General footnotes

Outside Services Employed (682) Prior year had excess costs associated with the debt refinancing from Quarles & Brady.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

General footnotes

Totals in the adjustments column are from the reclassification of CIAC to CIAC accounts from utility financed plant accounts.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

General footnotes

Amounts in the adjustments column of accounts 343, 345, and 348 are plant amounts that were reclassified from utility financed plant accounts to CIAC plant accounts.
